



4004

ANNUAL REPORT

OF

Name: SPRING VALLEY TELEPHONE COMPANY, INC.

Principal Office: S131 MCKAY AVE
P.O. BOX 220
SPRING VALLEY, WI 54767-0220

For the Year Ended: DECEMBER 31, 2000

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used. However, please show the exact name of the respondent in full on the Identification and Ownership page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

SIGNATURE PAGE

I MAXWELL O. DOWNS of
(Person responsible for accounts)

SPRING VALLEY TELEPHONE COMPANY, INC. , certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

MAXWELL O. DOWNS 03/31/2001
(Person responsible for accounts) (Date)

GENERAL MANAGER
(Title)

TABLE OF CONTENTS

Schedule Name	Page
Cover Page	1
General Rules for Reporting	2
Signature Page	3
Table of Contents	4
Annual Telecommunications Report Glossary of Terms	5
Abbreviations Used in Annual Reports	6
Identification and Ownership	7
Income Statement - Total Company	8
Notes to Income Statement or Balance Sheet	9
Balance Sheet - Assets (Class B Use Accounts Designated By *)	10
Balance Sheet - Liabilities (Class B Use Accounts Designated By *)	11
Important Changes During the Year	13
Affiliate Abbreviations	14
Affiliated Interest Transactions	15
Affiliated Assets and Liabilities	16
Telecommunications Plant in Service Class A & B	22
Telecommunications Plant in Service Class A & B (Sub-Class Accounts)	24
Accumulated Depreciation Class A & B	26
Accumulated Depreciation Class A & B (Sub-Class Accounts)	28
Net Deferred Operating Income Taxes (Acct. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)	30
Retained Earnings (Acct. 4550)	37
Revenues - Class A & B (Class B Use Accounts Designated By *)	40
Expenses - Class A & B	41
Calculation of Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	43
Calculation of Assessable Revenues for Universal Service Fund Assessment Purposes	43
Other Income Accounts	44
Nonregulated Activities	45
Distribution of Salaries and Wages	46
Telephone Calls and Minutes of Use Per Month	47
Access Usage	48
Outside Plant Statistics at End of Year	49
Special Access Circuits in Use at End of Year	49
Service Data	50
Service Data - End of Year	52
Equipment Abbreviations	54
Manufacturer Abbreviations	54
Central Office Data - End of Year	55
General, Schedule Level and Schedule Line Footnotes	56

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
 CO	.....	Central Office
 Depr	.....	Depreciation
 Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
 FOY	.....	First of Year
 Info	.....	Information
ITC	.....	Investment Tax Credit
 Misc	.....	Miscellaneous
 Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
 Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
 Prop	.....	Property
 Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
 Svcs	.....	Services
 Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
 Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: SPRING VALLEY TELEPHONE COMPANY, INC.
Utility Location: S131 MCKAY AVE
 P.O. BOX 220
 SPRING VALLEY, WI 54767-0220

Utility Web Site Address:

When was utility organized?: 07/07/1958

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MAXWELL O. DOWNS
Title: GENERAL MANAGER

Office Address: 131 SOUTH MCKAY
 P.O. BOX 220
 SPRING VALLEY, WI 54767

Fax Number: (715) 778 - 4433
Telephone Number: (715) 778 - 4798
Email Address:

Individual or firm, if other than utility employee, preparing this report

Name: KIESLING ASSOCIATES LLP
Title: ACCOUNTING FIRM
Firm: KIESLING ASSOCIATES LLP
Office Address: 6401 ODANA ROAD
 MADISON, WI 53719-1155

Fax Number: (608) 273 - 2383
Telephone Number: (608) 273 - 2315
Email Address: www.kiesling.com

Person responsible for financial information contained in report

Name: MAXWELL O. DOWNS
Title: GENERAL MANAGER

Office Address: 131 SOUTH MCKAY
 P.O. BOX 220
 SPRING VALLEY, WI 54767

Fax Number: (715) 778 - 4433
Telephone Number: (715) 778 - 4798
Email Address:

Person responsible for statistical information contained in report

Name: MAXWELL O. DOWNS
Title: GENERAL MANAGER

Office Address: 131 SOUTH MCKAY
 P.O. BOX 220
 SPRING VALLEY, WI 54767

Fax Number: (715) 778 - 4433
Telephone Number: (715) 778 - 4798
Email Address:

IDENTIFICATION AND OWNERSHIP

List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name: CHARLES D. RINGROSE
Address: 122 NORTH RANDALL
RIDGECREST, CA 93555

Number of Shares Held: 300
Beneficial Owner: NONE

Name: SUE R. KROHN
Address: 590 SHERRY LANE
DEERFIELD, IL 60015

Number of Shares Held: 300
Beneficial Owner: NONE

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name: SPRING VALLEY CELLULAR, INC
Form of Interest: OWNED
Extent Of Interest: 100%

Company Name: SPRING VALLEY LONG DISTANCE, INC
Form of Interest: OWNED
Extent Of Interest: 100%

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,148,079	985,834	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	146,489	132,404	2
Plant Nonspecific Operations Expense	255,923	197,972	3
Customer Operations Expense (6610-6620)	147,245	146,659	4
Corporate Operations Expense (6710-6790)	242,834	211,003	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	140,001	116,365	7
Total Operating Expenses	932,492	804,403	8
Net Operating Income	215,587	181,431	9
Other Income			
Nonoperating Income and Expense (7300)	1,612,343	125,232	10
Nonoperating Taxes (7400)	(18,317)	(401)	11
Interest and Related Items (7500)	99,643	86,418	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	43,701	47,648	14
Total Nonoperating Income	1,574,718	86,863	15
Net Income	1,790,305	268,294	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

The accounting policies of the Company conform to generally accepted accounting principles. Management uses estimates and assumptions in preparing its financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Telephone operations reflect practices appropriate to the telephone industry. The accounting records of the company are maintained in accordance with Uniform System of Accounts for Class A and B Telephone Companies prescribed by the Federal Communications Commission as modified by the Public Service Commission of Wisconsin (PSCW).

A. Property and Equipment

Telephone plant is capitalized at original cost, including the capitalized cost of salaries and wages, materials, certain payroll taxes, and employee benefits.

The Company provides for depreciation for financial reporting purposes on the straight-line method by the application of rates, based on the estimated service lives of the various classes of depreciable property.

Renewals and betterments of units of property are charged to telephone plant in service. When telephone plant is retired, its cost is removed from the asset account and charged against accumulated depreciation, together with removal cost less any salvage realized. No gains or losses are recognized in connection with routine retirements of depreciable property. Repairs and renewals of minor items of property are included in plant specific operations expense.

B. Income taxes

Income taxes are accounted for using a liability method and provide for the tax effects of transactions reported in the financial statements including both taxes currently due and deferred. Deferred taxes are adjusted to reflect deferred tax consequences at current enacted tax rates. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities include the difference between carrying amounts of depreciable assets and partnership investment basis. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled.

Investment tax credits (ITC) which were deferred prior to the Tax Reform Act of 1986 are being amortized over the regulatory life of the plant which produced the ITC

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

which produced the IIC.

C. Revenue Recognition

Revenues are recognized when earned regardless of the period in which they are billed.

Revenues relating to the provision of access services to customers are derived, in part, from tariffed access charges to toll service providers (interexchange carriers), and in part from sharing in interstate and intrastate pools. Interstate revenues are determined in accordance with cost separation procedures.

The Company is compensated for intrastate access under access charge procedures based on expense and plant investment levels, as determined by the Company and approved by the PSCW.

D. Cash Equivalents

All highly liquid investments purchased with a maturity of one year or less are considered cash equivalents.

E. Investments

Non-marketable equity investments and temporary investments are stated at cost.

-
2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

None

-
3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

The mortgage to the United States of America, underlying the RUS and RTB notes, contains certain restrictions on the declaration of payment of cash dividends, redemption of capital stock, or investment in affiliated companies.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	412,898	401,899	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	412,898	401,899	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	65,851	67,377	6
Accounts Receivable Allowance-Telecom (1181)*			7
Net: Telecommunications Accounts Receivable	65,851	67,377	
Other Accounts Receivable (1190)*	122,015	100,657	8
Accounts Receivable Allowance--Other (1191)*		0	9
Net: Other Accounts Receivable	122,015	100,657	
Notes Receivable (1200)*		0	10
Notes Receivable Allowance (1201)*		0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	107	425	12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	187,973	168,459	
SUPPLIES			
Inventories (1220)*	17,717	19,033	13
TOTAL SUPPLIES	17,717	19,033	
PREPAYMENTS			
Total Prepayments (1280)*	2,605	2,343	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	2,605	2,343	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	6,117	4,843	20
TOTAL OTHER CURRENT ASSETS	6,117	4,843	
TOTAL CURRENT ASSETS	627,310	596,577	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	2,099,450	489,388	21
RTB Class B Stock (1402)*	22,707	22,707	22
Other Investments in Nonaffiliated Companies (1402)*	9,400	9,400	23
Nonregulated Investments (1406)*	39,896	3,204	24
Unamortized Debt Issuance Expense (1407)*	2,721	1,124	25
Sinking Funds (1408)*		0	26

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*		0	27
TOTAL INVESTMENTS	2,174,174	525,823	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	28
Deferred Maintenance and Retirements (1438)*		0	29
Deferred Charges (1439)*	12,037	8,099	30
TOTAL DEFERRED CHARGES	12,037	8,099	
TOTAL NONCURRENT ASSETS	2,186,211	533,922	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	3,315,976	3,135,161	31
Less: Accumulated Depreciation (3100)*	1,397,603	1,169,481	32
Less: Accumulated Amortization--Capitalized Leases (3410)*		0	33
Less: Accumulated Amortization--Leasehold Improvements (3420)*		0	34
Less: Accumulated Amortization--Intangible (3500)*		0	35
NET TELECOMMUNICATIONS PLANT IN SERVICE	1,918,373	1,965,680	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*			36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*			37
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*			38
Less: Accumulated Depreciation--Nonoperating (3300)*			39
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	5,000	8,357	40
TOTAL TPUC	5,000	8,357	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*			41
Less: Accumulated Amortization--Other (3600)*		0	42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	1,923,373	1,974,037	
TOTAL ASSETS AND OTHER DEBITS	4,736,894	3,104,536	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	71,392	58,877	1
Notes Payable (4020)*			2
Advance Billing and Payments (4030)*			3
Customer Deposits (4040)*			4
Current Maturities--Long-Term Debt (4050)*	67,100	53,300	5
Current Maturities--Capital Leases (4060)*			6
Income Taxes--Accrued (4070)*	(19,423)	(55,537)	7
Other Taxes--Accrued (4080)*	2,330	(2,481)	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	6,422	10,213	11
Other Current Liabilities (4130)*			12
TOTAL CURRENT LIABILITIES	127,821	64,372	
LONG-TERM DEBT			
Funded Debt (4210)*	1,488,517	1,559,558	13
Premium on Long-Term Debt (4220)*		0	14
Discount on Long-Term Debt (4230)*		0	15
Reacquired Debt (4240)*		0	16
Obligations Under Capital Leases (4250)*		0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*			19
TOTAL LONG-TERM DEBT	1,488,517	1,559,558	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*		0	20
Unamortized Operating ITC--Net (4320)*	0	1,624	21
Unamortized Nonoperating ITC--Net (4330)*			22
Net Noncurrent Deferred Operating Income Taxes (4340)*	144,070	144,159	23
Net Deferred Tax Liability Adjustments (4341)*	0	(1,048)	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	(1,796)	(3,655)	25
Other Deferred Credits (4360)*	44,333	54,833	26
Deferred Tax Regulatory Liability (4361)*	0	1,048	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	186,607	196,961	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	60,000	60,000	28
Additional Paid-in Capital (4520)*		0	29
Treasury Stock (4530)*		0	30
Other Capital (4540)*		0	31
Retained Earnings (4550)*	2,873,949	1,223,645	32
TOTAL STOCKHOLDERS' EQUITY	2,933,949	1,283,645	
TOTAL LIABILITIES AND OTHER CREDITS	4,736,894	3,104,536	

IMPORTANT CHANGES DURING THE YEAR

-
1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

None

2. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

None

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
SPRING VALLEY CELLULAR	SPVY CELL	1
SPRING VALLEY TELEPHONE LONG DISTANCE	SPVY LD	2

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing.

Particulars	(a)	(b)	(c)	(d)	(e)
Docket		7072T1100			
Name of Affiliate		SPVY LD			1
Designate whether billed to or from:		TO			2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)		M			3
Total Dollar Activity		---CONF---			4
Percent of affiliate's business billed to all affiliated regulated utilities		---CONF---			5
If cost based, rate of return on equity or markup incorporated in billings		---CONF---			6
Footnotes					

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	6,785		1
Motor Vehicles	2112	90,225	45,040	2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	124,760		6
Buildings	2121	157,046		7
Furniture	2122	2,330		8
Office Equipment	2123	9,561	0	9
General Purpose Computers	2124	38,625	12,029	10
TOTAL--GENERAL SUPPORT ASSETS:		429,332	57,069	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	358,702	14,208	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	337,225	60,964	16
TOTAL--CENTRAL OFFICE ASSETS:		695,927	75,172	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	0		20
Other Terminal Equipment	2362	14,845	3,407	21
TOTAL--INFORMATION ORIG/TERM ASSETS:		14,845	3,407	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	0		22
Aerial Cable	2421	0	0	23
Underground Cable	2422	0	0	24
Buried Cable	2423	1,994,785	53,781	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	0		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		1,994,785	53,781	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			6,785	1
2112			135,265	2
2113			0	3
2114			0	4
2115			0	5
2116			124,760	6
2121			157,046	7
2122			2,330	8
2123	520	0	9,041	9
2124	8,094		42,560	10
	8,614	0	477,787	
2211			0	11
2212	0	0	372,910	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	0	398,189	16
	0	0	771,099	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			18,252	21
	0	0	18,252	
2411			0	22
2421	0	0	0	23
2422	0	0	0	24
2423	0	0	2,048,566	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			0	30
	0	0	2,048,566	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682	0	32
Intangibles	2690	272	33
TOTAL--AMORTIZABLE ASSETS:		272	0
TOTAL TELECOM. PLANT IN SERVICE	2001	3,135,161	189,429
Less: Allocation to Nonregulated Activity - EOY	2001		34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001		

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			272	33
	0	0	272	
	8,614	0	3,315,976	
2001			0	34
			3,315,976	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	6,936		1
Company Communications Equipment	2123.2	2,625		2
Software	2212.1	0		3
Digital Switching - Central Office	2212.2	358,702	14,208	4
Digital Switching - Remote	2212.3	0		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	337,225	60,964	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	0		12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	0		14
Underground Cable - Nonmetallic	2422.1	0		15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	0		17
Buried Cable - Metallic	2423.2	1,994,785	53,781	18
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)
(cont.)

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1	520		6,416	1
2123.2			2,625	2
2212.1			0	3
2212.2			372,910	4
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			398,189	10
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2			0	14
2422.1			0	15
2422.2			0	16
2423.1			0	17
2423.2			2,048,566	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
GENERAL SUPPORT ASSETS						
Motor Vehicles	2112	53,481	16.05	18,094		11,J
Aircraft	2113	0				2
Special Purpose Vehicles	2114	0				3
Garage Work Equipment	2115	0				4
Other Work Equipment	2116	46,660	8.2200	10,255		5
Buildings	2121	52,154	2.5	3,926		6
Furniture	2122	1,329	7.0	163		7
Office Equipment	2123	6,504	11.28	1,049		8J
General Purpose Computers	2124	26,981	20.0	7,145		9
Total-- GENERAL SUPPORT ASSETS		187,109		40,632		0
CENTRAL OFFICE ASSETS						
Analog Electronic Switching	2211	0				10
Digital Electronic Switching	2212	108,269	12.5	45,187		11
Electro-Mechanical Switching	2215	0				12
Operator Systems	2220	0				13
Radio Systems	2231	0				14
Circuit Equipment	2232	106,923	10.0	36,033		15
Total-- CENTRAL OFFICE ASSETS		215,192		81,220		0
INFORMATION ORIG/TERM ASSETS						
Station Apparatus	2311	0				16
Customer Premises Wiring	2321	0				17
Large Private Branch Exchanges	2341	0				18
Public Telephone Terminal Equipment	2351	0				19
Other Terminal Equipment	2362	8,043	10.0	1,683		20
Total-- INFORMATION ORIG/TERM ASSETS		8,043		1,683		0
CABLE WIRE FACILITIES ASSETS						
Poles	2411	0				21
Aerial Cable	2421	0				22
Underground Cable	2422	0				23
Buried Cable	2423	759,137	5.88	113,201		24
Submarine Cable	2424	0				25
Deep Sea Cable	2425	0				26
Intrabuilding Network Cable	2426	0				27
Aerial Wire	2431	0				28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	0			29
Total-- CABLE WIRE FACILITIES ASSETS		759,137		113,201	0
Total Accumulated Depreciation	3100	1,169,481		236,736	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100					
Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					71,575	1 I,J
2113					0	2
2114					0	3
2115					0	4
2116					56,915	5
2121					56,080	6
2122					1,492	7
2123	520				7,033	8 J
2124	8,094				26,032	9
	8,614	0	0	0	219,127	
2211					0	10
2212	0				153,456	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				142,956	15
	0	0	0	0	296,412	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					9,726	20
	0	0	0	0	9,726	
2411					0	21
2421	0				0	22
2422	0				0	23
2423	0				872,338	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					0	29
	0	0	0	0	872,338	
3100	8,614	0	0	0	1,397,603	
3100						30
3100						

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
Office Support Equipment	2123.1	4,660	10.0	655	1
Company Communications Equipment	2123.2	1,844	15.0	394	2
Software	2212.1	0			3
Digital Switching - Central Office	2212.2	108,269	12.5	45,187	4
Digital Switching - Remote	2212.3	0			5
Step by Step Switching	2215.1	0			6
Crossbar Switching	2215.2	0			7
Satellite and Earth Station Facilities	2231.1	0			8
Other Radio Facilities	2231.2	0			9
Digital Circuit Equipment	2232.1	106,923	10.0	36,033	10
Analog Circuit Equipment	2232.2	0			11
Light Wave Circuit Equipment	2232.3	0			12
Aerial Cable - Nonmetallic	2421.1	0			13
Aerial Cable - Metallic	2421.2	0			14
Underground Cable - Nonmetallic	2422.1	0			15
Underground Cable - Metallic	2422.2	0			16
Buried Cable - Nonmetallic	2423.1	0			17
Buried Cable - Metallic	2423.2	759,137	5.88	113,201	18
Submarine Cable - Nonmetallic	2424.1	0			19
Submarine Cable - Metallic	2424.2	0			20
Intrabuilding Cable - Nonmetallic	2426.1	0			21
Intrabuilding Cable - Metallic	2426.2	0			22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1	520				4,795	1
2123.2					2,238	2
2212.1					0	3
2212.2					153,456	4
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					142,956	10
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2					0	14
2422.1					0	15
2422.2					0	16
2423.1					0	17
2423.2					872,338	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)

This schedule should be used to report the deferred operating income tax portion of the stated accounts.
Credit amounts should be shown in ().

Particulars (a)	Balance EOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)		1
Other Noncurrent Assets (1410)		2
Deferred Tax Regulatory Asset (1437)		3
Net Current Deferred Operating Income Taxes (4100)		4
Net Noncurrent Deferred Operating Income Taxes (4340)	(144,070)	5
Net Deferred Tax Liability Adjustments (4341)		6
Deferred Tax Regulatory Liability (4361)		7
Net Property Related Deferred Operating Income Taxes	(144,070)	
Less: Allocation to Nonregulated Activity	0	8
Net Regulated Total Property Related Deferred Operating Income Taxes	(144,070)	
NONPROPERTY RELATED		
Other Current Assets (1350)	6,117	9
Other Noncurrent Assets (1410)	0	10
Deferred Tax Regulatory Asset (1437)	0	11
Net Current Deferred Operating Income Taxes (4100)	0	12
Net Noncurrent Deferred Operating Income Taxes (4340)	0	13
Net Deferred Tax Liability Adjustments (4341)	0	14
Deferred Tax Regulatory Liability (4361)	0	15
Total Nonproperty Related Deferred Operating Income Taxes	6,117	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	1,223,645	1,075,351	1
Changes:			
Balance Transferred from Income	1,790,305	268,294	2
Dividends Declared:			
Common	140,001	120,000	3
Preferred		0	4
Total Dividends Declared	140,001	120,000	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>2,873,949</u>	<u>1,223,645</u>	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	318,374	308,609	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	318,374	308,609	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	55,760	53,774	11
Switched Access Revenue (5082)*	432,310	309,236	12 G
Special Access Revenue (5083)*	8,697	3,446	13 B
TOTAL INTERSTATE ACCESS REVENUES (5080)	496,767	366,456	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*			14
Switched Access Revenue (5084.2)*	184,877	175,350	15
Special Access Revenue (5084.3)*	26,418	25,499	16 B
TOTAL INTRASTATE ACCESS REVENUES (5084)	211,295	200,849	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	13,800	10,064	17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	13,800	10,064	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	---CONF---	---CONF---	30
Rent Revenue (5240)*	---CONF---	---CONF---	31 F
Corporate Operations Revenue (5250)*	---CONF---	---CONF---	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	---CONF---	---CONF---	33
Special Billing Arrangements Revenue (5261)	---CONF---	---CONF---	34
Customer Operations Revenue (5262)	---CONF---	---CONF---	35
Plant Operations Revenue (5263)	---CONF---	---CONF---	36
Other Incidental Regulated Revenue (5264)	---CONF---	---CONF---	37
Other Revenue Settlements (5269)	---CONF---	---CONF---	38
Total Miscellaneous Revenue (5260)	---CONF---	---CONF---	
Interstate Billing and Collection Revenue*	---CONF---	---CONF---	39
Intrastate Billing and Collection Revenue*	---CONF---	---CONF---	40
Total Carrier Billing and Collection Revenue (5270)*	---CONF---	---CONF---	
Nonregulated Operating Revenue (5280)**	---CONF---	---CONF---	41
TOTAL MISCELLANEOUS REVENUES	109,383	100,621	
GROSS OPERATING REVENUES	1,149,619	986,599	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	1,540	765	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	1,540	765	
TOTAL OPERATING REVENUES	1,148,079	985,834	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
PLANT SPECIFIC OPERATIONS EXPENSE			
Total Network Support Expense (6110)	2,170	2,194	1
Less: Nonregulated		0	2
Net Regulated	2,170	2,194	3
Total General Support Expense (6120)	14,708	12,955	4
Less: Nonregulated		0	5
Net Regulated	14,708	12,955	6
Total Central Office Switching Expense (6210)	51,413	63,351	7
Less: Nonregulated		0	8
Net Regulated	51,413	63,351	9
Total Operator Systems Expense (6220)		0	10
Less: Nonregulated		0	11
Net Regulated	0	0	12
Total Central Office Transmission Expenses (6230)	12,485	4,252	13
Less: Nonregulated		0	14 c
Net Regulated	12,485	4,252	15
Total Information Orig. / Term. Expense (6310)		0	16
Less: Nonregulated		0	17
Net Regulated	0	0	18
Total Cable and Wire Fac. Expense (6410)	65,713	49,652	19
Less: Nonregulated		0	20 D
Net Regulated	65,713	49,652	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	146,489	132,404	
Less: Nonregulated	0	0	
Net Regulated	146,489	132,404	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)	2,404	369	22
Less: Nonregulated		0	23
Net Regulated	2,404	369	24
Total Network Operations Expense (6530)	12,558	5,501	25
Less: Nonregulated		0	26 D
Net Regulated	12,558	5,501	27
Access Expense (6540)	4,224	4,025	28
Less: Nonregulated		0	29
Net Regulated	4,224	4,025	30
Total Depreciation and Amortization Expense (6560)	236,737	188,077	31
Less: Nonregulated		0	32 E
Net Regulated	236,737	188,077	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	255,923	197,972	
Less: Nonregulated	0	0	
Net Regulated	255,923	197,972	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)		0	34
Less: Nonregulated		0	35
Net Regulated	0	0	36
Total Services (6620)	147,245	146,659	37
Less: Nonregulated		0	38
Net Regulated	147,245	146,659	39
TOTAL CUSTOMER OPERATIONS EXPENSE	147,245	146,659	
Less: Nonregulated	0	0	
Net Regulated	147,245	146,659	
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	131,798	101,581	40
Less: Nonregulated		0	41 c
Net Regulated	131,798	101,581	42
Total General and Administrative (6720)	111,036	109,422	43
Less: Nonregulated		0	44
Net Regulated	111,036	109,422	45
Provision for Uncollectible Notes Receiv. (6790)		0	46
Less: Nonregulated		0	47
Net Regulated	0	0	48
TOTAL CORPORATE OPERATIONS EXPENSE	242,834	211,003	
Less: Nonregulated	0	0	
Net Regulated	242,834	211,003	
TOTAL EXPENSES	792,491	688,038	
Less: Nonregulated	0	0	
Net Regulated	792,491	688,038	

EXPENSES - CLASS A & B (DETAIL)

Particulars (a)	Total This Year (b)	Total Last Year (c)	
Property Held for Future Tele. Use Exp. (6511)		0	1
Provisioning Expense (6512)	2,404	369	2
Total: Reported in Account 6510	2,404	369	
Depreciat. Exp.--Tele. Plant in Service (6561)	236,737	188,077	3 E
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		0	4
Amortization Expense--Tangible (6563)		0	5
Amortization Expense--Intangible (6564)		0	6
Amortization Expense--Other (6565)		0	7
Total: Reported in Account 6560	236,737	188,077	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	1,149,619	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year	1,540	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): None	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>1,148,079</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	318,374	1
Plus: Total Intrastate Access Revenues (5084)	211,295	2
Plus: Total Long Distance Network Services Revenue	13,800	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>543,469</u>	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	1,149,619	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year	1,540	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): None	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>1,148,079</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	318,374	1
Plus: Total Intrastate Access Revenues (5084)	211,295	2
Plus: Total Long Distance Network Services Revenue	13,800	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>543,469</u>	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)		0	1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)	(1,624)	(5,000)	2
Operating Federal Income Taxes (7220)	86,287	45,031	3
Operating State and Local Income Taxes (7230)	21,555	10,868	4
Operating Other Taxes (7240)	35,146	58,021	5
Provision for Deferred Operating Income Taxes--Net (7250)	(1,363)	7,445	6
TOTAL OPERATING TAXES (7200)	140,001	116,365	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)		0	7
Interest Income (7320)	7,926	10,856	8
Income from Sinking and Other Funds (7330)		0	9
Allowance for Funds Used During Construction (7340)		0	10
Gains or (Losses) from the Disposition of Certain Property (7350)		0	11
Other Nonoperating Income (7360)	1,610,062	118,649	12
Special Charges (7370)	5,645	4,273	13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	1,612,343	125,232	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	(18,317)	(401)	14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	99,643	86,418	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)	0	0	16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	43,701	47,648	17

NONREGULATED ACTIVITIES

List the type of nonregulated activities that the company is involved in.

Nonregulated Activity (a)	
---CONF---	1
---CONF---	2

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	172,322	1
All Other Accounts	82,436	2
Total Salaries and Wages	254,758	3

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	---CONF---	---CONF---	1 H
Extended Area Service	---CONF---	---CONF---	2 H
Extended Community Calling	---CONF---	---CONF---	3
Other Local-Undefined	---CONF---	---CONF---	4 H
Total Local	205	855	
TOLL			
Toll	62	505	5
Total Toll	62	505	
Total Local & Toll	267	1,360	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	1
Feature Group A -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	2
Feature Group B -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	3
Feature Group B -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	4
Feature Group C -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	5
Feature Group C -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	6
Feature Group D -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	7
Feature Group D -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	30	1
Strand miles of plant - fiber optics	240	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	---CONF---	---CONF---	1 A
56 kbps	---CONF---	---CONF---	2 A
64 kbps (DS0)	---CONF---	---CONF---	3 A
1.54 Mbps (DS-1)	---CONF---	---CONF---	4 A
45 Mbps (DS-3)	---CONF---	---CONF---	5 A
SONET OC-1	---CONF---	---CONF---	6 A
SONET OC-3	---CONF---	---CONF---	7 A
SONET OC-12	---CONF---	---CONF---	8 A
SONET OC-48	---CONF---	---CONF---	9 A
SONET OC-192	---CONF---	---CONF---	10 A

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	30	1
Strand miles of plant - fiber optics	240	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	---CONF---	---CONF---	1 A
56 kbps	---CONF---	---CONF---	2 A
64 kbps (DS0)	---CONF---	---CONF---	3 A
1.54 Mbps (DS-1)	---CONF---	---CONF---	4 A
45 Mbps (DS-3)	---CONF---	---CONF---	5 A
SONET OC-1	---CONF---	---CONF---	6 A
SONET OC-3	---CONF---	---CONF---	7 A
SONET OC-12	---CONF---	---CONF---	8 A
SONET OC-48	---CONF---	---CONF---	9 A
SONET OC-192	---CONF---	---CONF---	10 A

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	---CONF---	---CONF---	3
2 Party	---CONF---	---CONF---	4
4 Party	---CONF---	---CONF---	5
PBX Trunks/System Trunks	---CONF---	---CONF---	6
Centrex Trunks	---CONF---	---CONF---	7
Centrex Lines	---CONF---	---CONF---	8
Key System Trunks	---CONF---	---CONF---	9
Mobile (Utility Provided Service)	---CONF---	---CONF---	10
Paging (Utility Provided Service)	---CONF---	---CONF---	11
FX-Out (Switched)	---CONF---	---CONF---	12
Pay Telephone	---CONF---	---CONF---	13
Coin-Operated Pay Telephone	---CONF---	---CONF---	14
Independent Pay Telephone Provider	---CONF---	---CONF---	15
Pay Stations - Public	---CONF---	---CONF---	16
- Semi-Public	---CONF---	---CONF---	17
- Cust. Owned	---CONF---	---CONF---	18
Other	---CONF---	---CONF---	19
Total Business Lines	312	321	20
Residential (Incl. Emp. Concess.)			
1 Party	---CONF---	---CONF---	22
2 Party	---CONF---	---CONF---	23
4 Party	---CONF---	---CONF---	24
FX-Out (Switched)	---CONF---	---CONF---	25
Other	---CONF---	---CONF---	26
Total Residential Lines	803	835	27
Total Bus & Res Lines	1,115	1,156	28
Company Used Lines	9	9	29
Total Lines Used	1,124	1,165	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	---CONF---	---CONF---	3
WATS Lines - 800 Service	---CONF---	---CONF---	4
FX-In-intraLATA	---CONF---	---CONF---	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	---CONF---	---CONF---	7
Special Access-interLATA			8
(expressed in equiv. access lines)	---CONF---	---CONF---	9
Feature Group A Lines	---CONF---	---CONF---	10
Feature Group B Trunks	---CONF---	---CONF---	11
Feature Group C Trunks	---CONF---	---CONF---	12
Feature Group D Trunks	---CONF---	---CONF---	13
TSPS - Trunks	---CONF---	---CONF---	14
EAS - Trunks			15
Cellular Trunks (Pub. Sw. Net.)	---CONF---	---CONF---	16
Video Distance Learning			17
- discounted (special tariff)			18
Customers			
Business - 2 Party Customers			19
Business - 4 Party Customers			20
Residential - 2 Party Customers			21
Residential - 4 Party Customers			22
Other			
Total Central Office, Info. Orig./Term., & Cable			23
Wire Fac. Assets (based on physical			24
location of plant)	2,705,557	2,837,917	25
Total Company Square Miles	39	39	26
Total Company Route Miles	96	96	27
Footnotes			28
			29
			30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	5090				1
Business					2
1 Party	---CONF---				3
2 Party	---CONF---				4
4 Party	---CONF---				5
PBX Trunks/System Trunks	---CONF---				6
Centrex Trunks	---CONF---				7
Centrex Lines	---CONF---				8
Key System Trunks	---CONF---				9
Mobile (utility provided service)	---CONF---				10
Paging (utility provided service)	---CONF---				11
FX-Out (Switched)	---CONF---				12
Pay Telephone	---CONF---				13
Coin-Operated Pay Telephone	---CONF---				14
Independent Pay Telephone Provider	---CONF---				15
Pay Stations - Public	---CONF---				16
- Semi-Public	---CONF---				17
- Cust. Owned	---CONF---				18
Other	---CONF---				19
Total Business Lines	321	0	0	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	---CONF---				22
2 Party	---CONF---				23
4 Party	---CONF---				24
FX-Out (Switched)	---CONF---				25
Other	---CONF---				26
Total Residential Lines	835	0	0	0	27
Total Bus & Res Lines	1,156	0	0	0	28
Company Used Lines	9				29
Total Lines Used	1,165	0	0	0	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	5090				1
Miscellaneous					2
WATS Lines - OutWATS	---CONF---				3
WATS Lines - 800 Service	---CONF---				4
FX-In-intraLATA	---CONF---				5
Special Access-intraLATA (equiv. access lines)	---CONF---				6
Special Access-interLATA (equiv. access lines)	---CONF---				7
Feature Group A Lines	---CONF---				8
Feature Group B Trunks	---CONF---				9
Feature Group C Trunks	---CONF---				10
Feature Group D Trunks	---CONF---				11
TSPS - Trunks	---CONF---				12
EAS - Trunks	---CONF---				13
Cellular Trunks (Pub. Sw. Net.)	---CONF---				14
Video Distance Learning - discounted (special tariff)					15
Customers					16
Business - 2 Party Customers					17
Business - 4 Party Customers					18
Residential - 2 Party Customers					19
Residential - 4 Party Customers					20
Other					21
Exchange C.O., Info. Orig./Term., & Cable					22
Wire Fac. Assets (based on physical location of plant)	2,837,917				23
Exchange Square Miles	39				24
Exchange Route Miles	96				25
Footnotes					26
					27
					28
					29
					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	SPRING VALLEY				1
PSCW Exchange ID	5090				2
Central Office Name	SPRING VALLEY				3
PSCW Central Office ID	1				4
Manufacturer of COE (Page 54)	NTI				5
Year COE Installed	1996				6
Type of Equipment (Page 54)	D				7
(S)tandalone, (H)ost, (R)emote	R				8
Remote Host PSCW Exchange ID	1740				9
Remote Host PSCW Central Office ID	1				10
COE Generic Software Release No.	NA007				11
SS7?	Yes				12
9-1-1?	Yes				13
Access Lines - In Use	1,165				14
- Equipped	1,270				15
- Wired	1,400				16
Trunks - In Use	5				17
- Equipped	5				18
- Wired	5				19
ISDN Available?	Yes				20
ISDN Lines - In Use (BRI)	---CONF---				21
- In Use (PRI)	---CONF---				22
Switched 56 Service?	No				23
Switched 56 lines in use	---CONF---				24
Digital Transmission Facilities: DS-1 - In Use	---CONF---				25
DS-3 - In Use	---CONF---				26
Advanced Data Service Available:					
Packet Switching?	No				27
SMDS?	No				28
Frame Relay?	No				29
ATM (Asynchronous Trans. Mode)?	No				30
Video Information - Service Available?	No				31
- In Use (# lines) ¹	---CONF---				32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	68				33
No. of fiber strands working (LIT) in C.O.	---CONF---				34
No. of fiber strands for interoffice use	0				35
Miles of fiber sheath in wire center	30				36
Access Tandem Serving this C.O.:					
- C.O. Name	ELK LAKE				37
- PSCW C.O. ID	1740-01				38
Does this C.O. do access tandem switching?	No				39
Equal Access: InterLATA (1+)?	Yes				40
Equal Access: IntraLATA (1+)?	Yes				41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Accountants Compilation Report

To the Board of Directors
Spring Valley Telephone Company
Spring Valley, Wisconsin

We have compiled the balance sheets of Spring Valley Telephone Company as of December 31, 2000 and 1999, and the related statements of income and retained earnings for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form, except for pages 47 through 55.

Our compilation was limited to presenting in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements (including related disclosures) and the supplementary information are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

The supplementary information contained on pages 47 through 55 of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

Kiesling Associates LLP
Madison, Wisconsin
March 31, 2001

Schedule Footnotes

Schedule Line Footnotes

- A) Reported amount of -0- for these special access circuits is correct.
- B) Increase in special circuits.
- C) Increase in labor and overheads.
- D) Increase in professional services for outside plant and network operations work.
- E) Estimated useful lives or depreciation rates on various regulated plant accounts were revised in 2000.
- F) Increase in meet point billing.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

- G)** Spring Valley Telephone Company, Inc. is a cost company for interstate NECA pooling revenues. In 2000 there was an increase in NECA monthly settlements.
- H)** Spring Valley Telephone Company, Inc. is a remote and local minutes-of-use and calls are not available, other than ECC.
- I)** Depreciation calculated on a per unit basis.
- J)** Depreciation rate provided is a composite.